

2 EVALUATING MANAGEMENT Company LOWE'S COMPANIES INC.

_	EVALUATING MA	HAGE			company									-
		1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	LAST 5	TREND	
_		1995	1994	1995	1990	1997	1990	1999	2000	2001	2002	YEAR AVG.	UP	DOWN
A	% Pre-tax Profit on Sales (Net Before Taxes ÷ Sales)	4.4	5.6	5.0	5.3	5.5	6.2	6.8	6.8	7.3	8.9	7.2	UP	
В	% Earned on Equity (E/S ÷ Book Value)	15.2	15.6	13.2	13.4	13.8	15.3	14.6	14.7	15.1	17.4	15.4	UP	

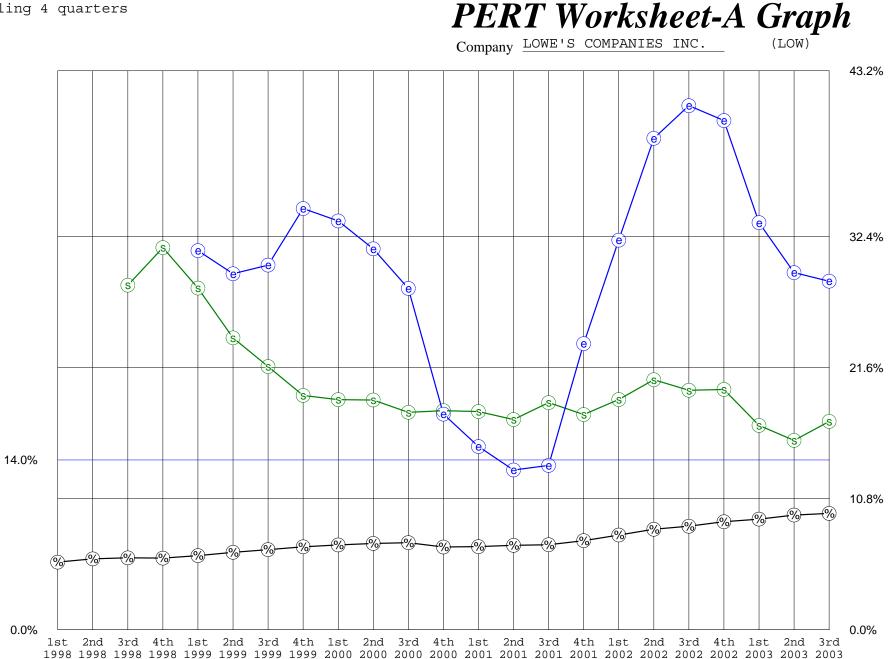
(LOW)

3 PRICE-EARNINGS HISTORY as an indicator of the future

		PRESE	NT PRICE	54.180 H	IIGH THIS YEAR	60.4	LON III	S YEAR	33.370
	Year	A PR	ICE B	C Earnings	D Price Earn	E nings Ratio	F Dividend	G % Payout	H % High Yield
	1001	HIGH	LOW	Per Share	HIGH A ÷ C	LOW B÷C	Per Share	F ÷ C X 100	F ÷ B X 100
1	1998	29.4	11.9	0.68	43.2	17.5	0.059	8.7	0.5
2	1999	33.2	21.5	0.90	37.1	24.0	0.062	6.9	0.3
	2000	33.6	17.1	1.06	31.8	16.2	0.070	6.6	0.4
	2001	48.9	24.8	1.30	37.6	19.1	0.077	5.9	0.3
5	2002	50.0	32.5	1.85	27.0	17.6	0.085	4.6	0.3
•	TOTAL		107.8		176.7	94.4		32.7	
	AVERAGE		21.6		35.3	18.9		6.5	
	AVERAGE PRI	CE EARNINGS RAT	10 27	7.1 g	CURRENT PRI	L CE EARNINGS RA		24.2	
Assi		EXT 5 YEARS E 35.3	30.9 X Estima		how low the stock might		ide ratio is the key to evalu = Forecast High Price	U U	133.2
вI	LOW PRICE NI	(3D7 as adj EXT 5 YEARS	.)				-		(4A1)
	(a) Avg. Lov	v P/E 18.9	17.6 E7 as adj.)	X Estimated Low Earr	nings/Share	1.85	= \$	32.6	
	(b) Avg. Lov	v Price of Last 5 Years		(3B7)	_				
		Severe Market Low Pri	ice =	24.8					
	(c) Recent S				_				
		vidend Will Support	Present Divd.	= 0	.120	=	24.2	_	
	(d) Price Div			= 0	.120 .005	_ =	24.2	= \$	24.8 (4B1)
C 2	(d) Price Div Selected Est ZONING 133.2 (4A1)	ridend Will Support imate Low Price High Forecast Pri	Present Divd. High Yield (H) ce Minus 24	= 0 0 4.8 4B1) Low Fore	.005 cast Price Equals	(C)	=Range. 1/3 of Ra	((4B1) 27.1 4CD)
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Printed: 12/26/03 10:50 AM Prepared by: MG Using The NAIC Investor's Toolkit



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